

TEACHERS' RETIREMENT BOARD  
BENEFITS AND SERVICES COMMITTEE

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SUBJECT: Approval of Minutes for  
December 4 and 5, 2002

ITEM NUMBER:   2  

ATTACHMENT(S):   2  

ACTION:   X  

DATE OF MEETING: February 5, 2003

INFORMATION:           

PRESENTER(S): Chairperson

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Please see the attached minutes of the December 4 and 5, 2002, Benefits and Services Committee meeting.

**PROPOSED  
MINUTES OF THE  
BENEFITS AND SERVICES COMMITTEE MEETING  
OF THE  
CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM  
WEDNESDAY, DECEMBER 4, 2002  
BOARD ROOM  
7667 FOLSOM BOULEVARD  
SACRAMENTO, CALIFORNIA**

**COMMITTEE MEMBERS PRESENT**

Karen Russell, Chairperson  
Gary Lynes  
Jay Schenirer  
Carolyn Widener  
Louis Willhoit, representing the State Controller, Kathleen Connell  
Duwayne Brooks, representing the Superintendent of Public Instructions, Delaine Eastin

**OTHER MEMBERS PRESENT**

John Hiber, representing the State Treasurer, Phil Angelides  
Paul G. Krasnow

**STAFF PRESENT**

Jack Ehnes, Chief Executive Officer  
Christopher W. Waddell, Chief Counsel  
Peggy A. Plett, DCEO, CBS and Administration Branch  
Ed Derman, DCEO, EAPD Branch  
Sandra Olivo, Chief, Survivor Benefits Division  
Sally Zentner, Planning and Research Office  
Cora Ready, CBS, AGPA  
Jan Vine, Executive Assistant

**OTHERS PRESENT**

Dorothy Moser, CTA/NEA- R  
Lois Shive, CTA  
Pat Geyer, CRTA

A quorum being present, Chairperson Russell called the meeting to order at 3:40 p.m.

II. **APPROVAL OF MINUTES OF NOVEMBER 6, 2002**

MOTION duly made by Mr. Schenirer, seconded by Mr. Willhoit, and carried to approve the Minutes of the November 6, 2002, Benefits and Services Committee.

III. **TERMS AND CONDITIONS FOR INTRAPLAN TRANSFER UNDER CHAPTER 802, STATUTES OF 2001 (SB 499)**

Mr. Derman presented the Terms and Conditions for Intraplan Transfers Under Chapter 802, Statutes of 2001 (SB 499), which allow participants in the CalSTRS Cash Balance Program (CB) to make an administrative transfer of assets and liabilities from the CB Program to the CalSTRS Defined Benefit (DB) Program. Ms. Widener requested clarification on how CalSTRS would determine the amount of service to be credited to the DB Program upon transfer from the CB Program. Ms. Zentner from the EAPD Branch stated that service credit would be determined based on information submitted by the member's employer.

MOTION duly made by Mr. Lynes, seconded by Mr. Brooks, and carried to adopt the Terms and Conditions for Intraplan Transfers under Chapter 802, Statutes of 2001 (SB 499) as presented.

IV. **CLIENT ADVISORY COMMITTEE UPDATE**

Mr. Derman presented an update of the November 6, 2002 Client Advisory Committee meeting. It was acknowledged that the item on Community College was inadvertently omitted.

V. **LEVEL OF SERVICE STANDARDS**

Ms. Plett presented this item and reported that 95.7 percent of Service Retirement payments were finalized during the reporting period. Ms. Plett stated that service levels for the Call Center would be impacted during the month of December 2002 due to an increase in phone calls regarding the CalSTRS Annual Statements of Account that were mailed during the last week of November 2002. Ms. Plett added that CalSTRS received approximately 700 requests for beneficiary designation forms during the first week of December 2002.

Discussion ensued regarding the number of members informed via the Annual Statement of Account of incomplete death beneficiary information. Ms. Olivo stated that beneficiary designation forms received by CalSTRS prior to 1991 are not reflected in the START database and would not have been reflected on the Annual Statement of Account. Ms. Plett added that the beneficiary information would be updated and added to the database when a member re-submits a death beneficiary form.

VI. **SURVIVOR BENEFITS PROGRAM**

Ms. Plett introduced Ms. Olivo, Chief of Survivor Benefits and stated that the intent of the presentation was to provide both a high-level overview of the Survivor Benefits Program and a better understanding of workload complexities thereof.

Ms. Olivo delivered the presentation. Ms. Olivo stated that the Death Beneficiary Designation Form was the most important form utilized by the Survivor Benefits Program. Ms. Widner suggested that CalSTRS consider writing an article in the

CalSTRS *Bulletin* and *Retired Educator* regarding the importance of providing accurate and complete death beneficiary designation information to CalSTRS. Mr. Lynes added that the CalSTRS website might be a better venue for providing this information. Ms. Russell stated that the more information sources (website and publications) used to provide information to members, the better.

Ms. Olivo stated that confusion on the member's part may exist regarding the distinction between the selection of a retirement option beneficiary and the designation of a death beneficiary. Ms. Olivo stated that consideration is being given by CalSTRS regarding the best way to help clarify any misunderstandings with special attention given to the timing in which death beneficiary information is requested and/or submitted.

Mr. Willhoit inquired about the total dollar amount of unclaimed death benefits that currently exist. Ms. Olivo stated that the specific amount was unknown but could be provided. Mr. Ehnes requested that Ms. Olivo provide additional information pertaining to the amount and processing of unclaimed death benefits.

VII. **RECESS**

Chairperson Russell recessed at 4:50 p.m. and the Committee will resume on Thursday, December 5, 2002 at 8:30 a.m.

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JACK EHNES, Chief Executive Officer  
Secretary to the Teachers' Retirement Board

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Karen Russell, Chairperson

**PROPOSED  
MINUTES OF THE  
BENEFITS AND SERVICES COMMITTEE MEETING  
OF THE  
CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM  
THURSDAY, DECEMBER 5, 2002  
BOARD ROOM  
7667 FOLSOM BOULEVARD  
SACRAMENTO, CALIFORNIA**

**COMMITTEE MEMBERS PRESENT**

Karen Russell, Chairperson  
Gary Lynes  
Jay Schenirer  
Carolyn Widener  
Louis Willhoit, representing the State Controller, Kathleen Connell  
Duwayne Brooks, representing the Superintendent of Public Instructions, Delaine Eastin

**OTHER MEMBERS PRESENT**

John Hiber, representing the State Treasurer, Phil Angelides  
Paul G. Krasnow

**STAFF PRESENT**

Jack Ehnes, Chief Executive Officer  
Christopher W. Waddell, Chief Counsel  
Peggy A. Plett, DCEO, CBS and Administration Branch  
Ed Derman, DCEO, EAPD Branch  
Cora Ready, Associate Governmental Program Analyst  
Jan Vine, Executive Assistant

**OTHERS PRESENT**

|   |                          |
|---|--------------------------|
| Marc Fandetti, Managing Advisor, CitiStreet Advisors LLC (via internet) |                          |
| Loretta Toggenburger, UTLA- R   | Zoe Ann Murray, CRTA     |
| Michael Green, CTA  | Dorothy Moser, CTA- R    |
| Beverly Carlson, CTA  | Malcolm Tucker, CRTA     |
| Lois Shive, CTA   | Pat Geyer, CRTA          |
| Steve DePue, CTA  | Jonathan Lightman, FACCC |

A quorum being present, Chairperson Russell called the meeting to order at 8:35 a.m.

**II. PRESENTATION ON CITISTREET ADVISORY SERVICES**

Mr. Fandetti, Managing Advisor from CitiStreet provided a demonstration of the CitiStreet Advisor Service available to CalSTRS' VIP participants regarding retirement planning and investment information available to help participants reach their financial goals.

III. **DRAFT AGENDA FOR THE FEBRUARY BENEFITS AND SERVICES COMMITTEE MEETING**

No items were added.

IV. **OPPORTUNITY FOR STATEMENTS FROM THE PUBLIC**

There were no statements.

V. **ADJOURNMENT**

There being no further business to conduct, Chairperson Russell adjourned the meeting at 9:25 a.m.

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JACK EHNES, Chief Executive Officer  
Secretary to the Teachers' Retirement Board

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Karen Russell, Chairperson